

**State of Utah****Department of  
Natural Resources**

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*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

November 15, 2006

Steven L. Peterson  
**Zeotech Corp.**  
P.O. Box 840  
Peralta, NM 87042

Re: Exemption from Utah Mined Land Reclamation Permitting Requirements, Zeotech Corp. Proposed Operation Near Newton, Utah, Task ID# 1620, Cache County, Utah

Dear Mr. Peterson:

Thank you for accompanying the Division on our November 9, 2006 inspection of your proposed quarry. This inspection was performed to determine if your mining operation qualified for a regulatory exemption under the Division's "Sand, Gravel and Rock Aggregate" definitions. Our investigation showed that the material you intend on mining appears to be deposited by Lake Bonneville currents resulting in stratification, size sorting and extensive rounding typical of an alluvial deposit. It has been determined that your proposed operation "does" qualify for an exemption under the "Sand, Gravel and Rock Aggregate" definitions. This determination was made because your operation is proposing to extract aggregate materials from an alluvial sand/gravel deposit. Therefore, your proposed operation will not require a permit under the Utah Mined Land Reclamation Act and Administrative Rules.

Please note that there may be regulatory requirements under other agencies that you will still need to comply with such as air quality, water quality or Local governmental bodies. If you eventually anticipate the need to expand your quarrying operations outside the alluvial sand/gravel deposit to obtain your mineral product, you will need to file a permit application and obtain a mining permit from this office. Please contact us in advance to obtain the proper permit application form before advancing your operations into the solid bedrock deposit.

Thank you for your cooperation and willingness to accompany us on the inspection in our effort to administer the requirements of Utah Mined Land Reclamation Act.

Sincerely,

Daron R. Haddock  
Permit Supervisor  
Minerals Regulatory Program

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